

Vocational Rehabilitation

Analyst: Holland-Smith

Historical Summary

| OPERATING BUDGET | FY 2005 Total App | FY 2005 Actual | FY 2006 Approp | FY 2007 Request | FY 2007 Gov Rec |
|---------------------------------|------------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| BY PROGRAM | | | | | |
| Community Supported Employment | 3,970,800 | 3,971,400 | 3,975,500 | 4,550,400 | 4,046,300 |
| Epilepsy Services | 70,300 | 67,800 | 70,300 | 70,300 | 70,300 |
| Renal Disease Services | 550,800 | 550,800 | 561,700 | 577,000 | 577,000 |
| Vocational Rehabilitation | 17,440,100 | 18,039,000 | 17,959,100 | 19,478,700 | 18,694,200 |
| Total: | 22,032,000 | 22,629,000 | 22,566,600 | 24,676,400 | 23,387,800 |
| BY FUND CATEGORY | | | | | |
| General | 7,676,800 | 7,676,600 | 7,722,600 | 8,716,600 | 7,881,900 |
| Dedicated | 1,017,100 | 809,100 | 1,079,200 | 1,194,400 | 1,194,400 |
| Federal | 13,338,100 | 14,143,300 | 13,764,800 | 14,765,400 | 14,311,500 |
| Total: | 22,032,000 | 22,629,000 | 22,566,600 | 24,676,400 | 23,387,800 |
| Percent Change: | | 2.7% | (0.3%) | 9.3% | 3.6% |
| BY OBJECT OF EXPENDITURE | | | | | |
| Personnel Costs | 7,333,600 | 7,249,600 | 7,663,800 | 8,245,000 | 7,575,700 |
| Operating Expenditures | 1,473,800 | 1,379,700 | 1,432,400 | 1,685,900 | 1,627,600 |
| Capital Outlay | 29,800 | 67,800 | 0 | 312,800 | 312,800 |
| Trustee/Benefit | 13,194,800 | 13,931,900 | 13,470,400 | 14,432,700 | 13,871,700 |
| Total: | 22,032,000 | 22,629,000 | 22,566,600 | 24,676,400 | 23,387,800 |
| Full-Time Positions (FTP) | 150.00 | 150.00 | 150.00 | 157.00 | 150.00 |

Division Description

Community Supported Employment (CSE): Provides remunerative work and support for adults with developmental disabilities and mental illness who lack the skills and experience to obtain and maintain employment in the competitive labor market. Employment Services are comprised of Work Services and Community Supported Employment.

Epilepsy Services: Places persons afflicted with epilepsy in touch with professionals so the trauma can be reduced and allow them to participate fully in their families, communities, interests, etc.

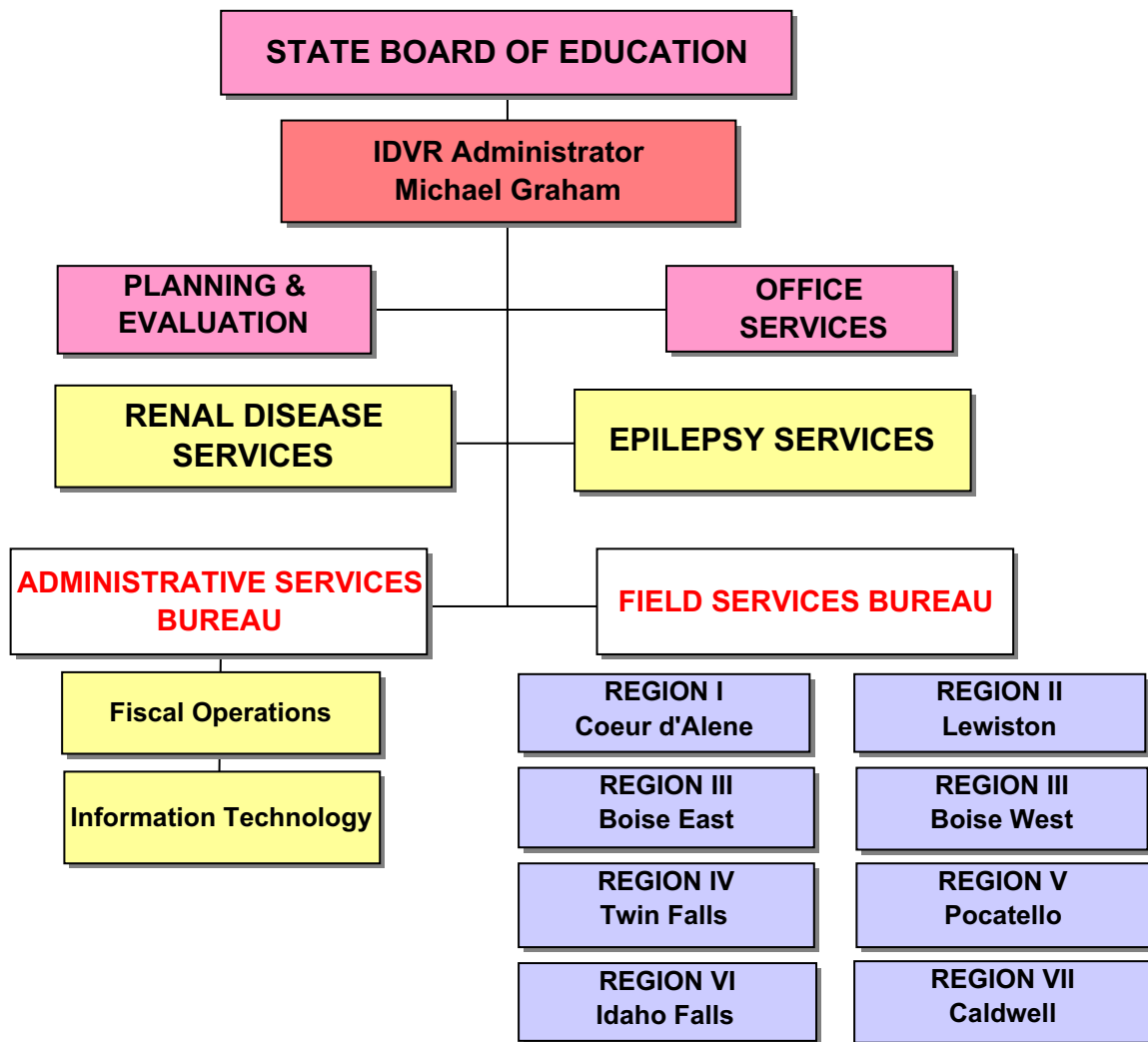
Renal Disease Services: Provides lifesaving services (kidney dialysis and kidney transplants) to those suffering from end-stage kidney disease.

Vocational Rehabilitation Services: Provides services to allow the disabled of Idaho the opportunity of full employment, independence from government support and dignity and self-respect. Maintains the productivity of each disabled citizen who is capable of employment and reduces the burden of dependence on the taxpayers.

Vocational Rehabilitation Agency Profile

Analyst: Holland-Smith

Organizational Chart



Vocational Rehabilitation Agency Profile

Analyst: Holland-Smith

Selected Measures

| | | FY 2002 | FY 2003 | FY 2004 | FY 2005 |
|----|---|---------|---------|---------|---------|
| 1. | Number of individuals who went to work after receiving VR services. | 1,808 | 1,711 | 1,799 | 1,777 |
| 2. | Percent of all individuals who went to work after receiving VR services. | 59.3% | 60.0% | 60.5% | 58.6% |
| 3. | Average hourly earnings of all individuals who completed the VR program and went to work. | \$8.65 | \$7.45 | \$7.73 | \$8.77 |
| 4. | Percent of individuals who have maintained their employment twelve months after exiting the VR program. | 82% | 75% | 76% | 78% |

| Sources of Funds | FY 2005 Expenditures | Percent of Total | FY 2006 Estimate | FY 2007 Request |
|--|-------------------------|---------------------|----------------------|----------------------|
| 1. General Fund (0001-00) | \$ 7,676,600 | 33.9% | \$ 7,798,800 | \$ 8,716,600 |
| The General Fund sources are the individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, treasurer's interest on investments of certain idle funds, and miscellaneous sources from agency receipts. | | | | |
| 2. Rehab Rev & Refunds (0288-00) | \$ 401,000 | 1.8% | \$ 609,000 | \$ 621,700 |
| This account receives monies from federal (other than Rehabilitation Services Administration), specifically as cost reimbursements for purchased services from Vocational Rehabilitation. | | | | |
| 3. Federal Funds (0348-00) | \$ 14,143,300 | 62.5% | \$ 13,813,700 | \$ 14,765,400 |
| This fund receives moneys from several federal grants primarily authorized by the Vocational Rehabilitation Act, as amended. The grants are administered by the Rehabilitation Services Administration, U.S. Education Department. The state matching share varies from 21.3% for Section 110 funding to 0% on other grants. | | | | |
| 4. Miscellaneous Rev (0349-00) | \$ 408,100 | 1.8% | \$ 408,100 | \$ 572,700 |
| Contributions and contract payments from the Department of Health and Welfare, and various school districts and other public and private sources such as Medicare, Medicaid, private insurance carriers, clients, attorneys and other third party payers as cost reimbursements, refunds, or donations. | | | | |
| TOTAL | \$ 22,629,000 | 100% | \$ 22,629,600 | \$ 24,676,400 |

Vocational Rehabilitation

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Comparative Summary

| Decision Unit | Agency Request | | | Governor's Rec | | |
|---------------------------------------|----------------|------------------|-------------------|----------------|------------------|-------------------|
| | FTP | General | Total | FTP | General | Total |
| FY 2006 Original Appropriation | 150.00 | 7,722,600 | 22,566,600 | 150.00 | 7,722,600 | 22,566,600 |
| HB 395 One-time 1% Salary Increase | 0.00 | 14,100 | 63,000 | 0.00 | 14,100 | 63,000 |
| Omnibus CEC Supplemental | 0.00 | 0 | 0 | 0.00 | 1,200 | 74,300 |
| FY 2006 Total Appropriation | 150.00 | 7,736,700 | 22,629,600 | 150.00 | 7,737,900 | 22,703,900 |
| Non-Cognizable Funds and Transfers | 0.00 | 0 | 0 | 0.00 | 0 | 0 |
| FY 2006 Estimated Expenditures | 150.00 | 7,736,700 | 22,629,600 | 150.00 | 7,737,900 | 22,703,900 |
| Removal of One-Time Expenditures | 0.00 | (14,100) | (342,200) | 0.00 | (14,100) | (342,200) |
| Base Adjustments | 0.00 | 0 | 0 | 0.00 | 0 | 0 |
| FY 2007 Base | 150.00 | 7,722,600 | 22,287,400 | 150.00 | 7,723,800 | 22,361,700 |
| Benefit Costs | 0.00 | 1,500 | 123,600 | 0.00 | (2,300) | (181,500) |
| Inflationary Adjustments | 0.00 | 155,000 | 310,900 | 0.00 | 155,000 | 310,900 |
| Replacement Items | 0.00 | 0 | 463,700 | 0.00 | 0 | 463,700 |
| Statewide Cost Allocation | 0.00 | 3,600 | 17,100 | 0.00 | 3,600 | 17,100 |
| Change in Employee Compensation | 0.00 | 1,000 | 64,300 | 0.00 | 1,800 | 118,600 |
| FY 2007 Program Maintenance | 150.00 | 7,883,700 | 23,267,000 | 150.00 | 7,881,900 | 23,090,500 |
| 1. Workload Adjustment | 7.00 | 226,500 | 324,400 | 0.00 | 0 | 0 |
| 2. CSE Additional Services | 0.00 | 502,300 | 502,300 | 0.00 | 0 | 0 |
| 3. Pay Equity for VR Counselors | 0.00 | 49,100 | 230,400 | 0.00 | 0 | 0 |
| 4. Training | 0.00 | 55,000 | 55,000 | 0.00 | 0 | 0 |
| 5. Co-op Agreements with Agencies | 0.00 | 0 | 155,900 | 0.00 | 0 | 155,900 |
| 6. Reclassifications | 0.00 | 0 | 141,400 | 0.00 | 0 | 141,400 |
| FY 2007 Total | 157.00 | 8,716,600 | 24,676,400 | 150.00 | 7,881,900 | 23,387,800 |
| Change from Original Appropriation | 7.00 | 994,000 | 2,109,800 | 0.00 | 159,300 | 821,200 |
| % Change from Original Appropriation | | 12.9% | 9.3% | | 2.1% | 3.6% |

Vocational Rehabilitation

Analyst: Holland-Smith

| Budget by Decision Unit | FTP | General | Dedicated | Federal | Total |
|--|--------|-----------|-----------|------------|------------|
| FY 2006 Original Appropriation | | | | | |
| | 150.00 | 7,722,600 | 1,079,200 | 13,764,800 | 22,566,600 |
| HB 395 One-time 1% Salary Increase | | | | | |
| Reflects a one-time 1% Change in Employee Compensation (CEC) increase. | | | | | |
| Agency Request | 0.00 | 14,100 | 0 | 48,900 | 63,000 |
| Governor's Recommendation | 0.00 | 14,100 | 0 | 48,900 | 63,000 |
| Omnibus CEC Supplemental | | | | | |
| Agency Request | 0.00 | 0 | 0 | 0 | 0 |
| The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC. | | | | | |
| Governor's Recommendation | 0.00 | 1,200 | 0 | 73,100 | 74,300 |
| FY 2006 Total Appropriation | | | | | |
| Agency Request | 150.00 | 7,736,700 | 1,079,200 | 13,813,700 | 22,629,600 |
| Governor's Recommendation | 150.00 | 7,737,900 | 1,079,200 | 13,886,800 | 22,703,900 |
| Non-Cognizable Funds and Transfers | | | | | |
| Agency is transferring \$40,600 in federal spending authority from trustee and benefits into operating expenditures. | | | | | |
| Agency Request | 0.00 | 0 | 0 | 0 | 0 |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| FY 2006 Estimated Expenditures | | | | | |
| Agency Request | 150.00 | 7,736,700 | 1,079,200 | 13,813,700 | 22,629,600 |
| Governor's Recommendation | 150.00 | 7,737,900 | 1,079,200 | 13,886,800 | 22,703,900 |
| Removal of One-Time Expenditures | | | | | |
| Removes funding providing for HB395, the 27th pay period, and other one-time items. | | | | | |
| Agency Request | 0.00 | (14,100) | (62,100) | (266,000) | (342,200) |
| Governor's Recommendation | 0.00 | (14,100) | (62,100) | (266,000) | (342,200) |
| Base Adjustments | | | | | |
| Reverses the transfer reflected in the Non-Cognizable Funds and Transfers category. | | | | | |
| Agency Request | 0.00 | 0 | 0 | 0 | 0 |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| FY 2007 Base | | | | | |
| Agency Request | 150.00 | 7,722,600 | 1,017,100 | 13,547,700 | 22,287,400 |
| Governor's Recommendation | 150.00 | 7,723,800 | 1,017,100 | 13,620,800 | 22,361,700 |

Vocational Rehabilitation

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| Budget by Decision Unit | FTP | General | Dedicated | Federal | Total |
|---|--------|-----------|-----------|------------|------------|
| Benefit Costs | | | | | |
| Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates. | | | | | |
| Agency Request | 0.00 | 1,500 | 0 | 122,100 | 123,600 |
| <i>Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs. However, the change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.</i> | | | | | |
| Governor's Recommendation | 0.00 | (2,300) | 0 | (179,200) | (181,500) |
| Inflationary Adjustments | | | | | |
| Includes a general inflationary increase of 1.9% in operating expenditures and trustee/benefit payments and a medical inflationary increase of 3.6% in operating expenditures and trustee/benefit payments. | | | | | |
| Agency Request | 0.00 | 155,000 | 21,400 | 134,500 | 310,900 |
| Governor's Recommendation | 0.00 | 155,000 | 21,400 | 134,500 | 310,900 |
| Replacement Items | | | | | |
| The division is requesting \$150,900 in operating expenditures for software license upgrades and maintenance agreements, and \$312,800 in capital outlay. The capital outlay includes \$104,000 for eight midsize passenger vehicles, \$6,000 for photocopiers, \$12,800 for telephone systems, \$23,500 for office furniture, \$4,700 for office equipment, and \$161,800 for computer equipment. | | | | | |
| Agency Request | 0.00 | 0 | 0 | 463,700 | 463,700 |
| Governor's Recommendation | 0.00 | 0 | 0 | 463,700 | 463,700 |
| Statewide Cost Allocation | | | | | |
| The Statewide Cost Allocation Plan assesses state agencies for their actual use of Attorney General, State Controller and State Treasurer services and includes changes in property and casualty insurance premiums. This decision unit also includes changes in fees charged for legislative audits and changes in the cost of office space leased to state agencies by the Department of Administration. Risk management increases total \$1,100; State Controller fees total \$14,200; and State Treasurer fees total \$3,800. | | | | | |
| Agency Request | 0.00 | 3,600 | 0 | 13,500 | 17,100 |
| Governor's Recommendation | 0.00 | 3,600 | 0 | 13,500 | 17,100 |
| Change in Employee Compensation | | | | | |
| Calculated cost of a 1% salary increase for permanent and group positions. | | | | | |
| Agency Request | 0.00 | 1,000 | 0 | 63,300 | 64,300 |
| <i>Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.</i> | | | | | |
| Governor's Recommendation | 0.00 | 1,800 | 0 | 116,800 | 118,600 |
| FY 2007 Program Maintenance | | | | | |
| Agency Request | 150.00 | 7,883,700 | 1,038,500 | 14,344,800 | 23,267,000 |
| Governor's Recommendation | 150.00 | 7,881,900 | 1,038,500 | 14,170,100 | 23,090,500 |

Vocational Rehabilitation

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| Budget by Decision Unit | FTP | General | Dedicated | Federal | Total |
|---|---------------------------------------|---------|-----------|---------|---------|
| 1. Workload Adjustment | Vocational Rehab Program | | | | |
| ADDITIONAL COUNSELORS: Funding is requested for two full-time counselors and one full-time support staff. One of the counselors is designed for the School Work Program for the growing transition age student population eligible for agency services. The remaining counselor will be designated for the general program. The agency identified that it needed 15 additional counselors over the last five years to maintain services to the growing eligible population, but has only received four new counselors over that time. The agency is serving 3,000 more individuals, processing 1,600 more determinations of eligibility and preparing 1,900 more plans on an annual basis. Each counselor requires \$100,000 case service dollars for the rehabilitation costs of clients on a standard caseload of 125 to 175 cases in service each year. The agency is requesting \$124,400 for personnel costs and \$200,000 for trustee and benefits. | | | | | |
| CHANGE SERVICE DELIVERY SYSTEM: The agency is requesting to shift \$176,300 from trustee/benefit payments to personnel costs to hire three job site developers and one support staff. Presently, the agency purchases job site development and placement services from a variety of private for-profit and private not-for-profit vendors. These services are paid on an hourly basis. The three professionals will work with the business community to develop new job opportunities for agency clientele. | | | | | |
| Agency Request | 7.00 | 226,500 | 0 | 97,900 | 324,400 |
| Not recommended by the Governor. | | | | | |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| 2. CSE Additional Services | Community Supported Employment | | | | |
| Increased funding is requested to reduce the waiting list, increase the number of clients served, and to shift the balance of those served further towards the community supported side of the service spectrum and to maintain an accurate bill pay system. The request is for \$3,300 in operating expenditures and \$499,000 in trustee/benefit payments. | | | | | |
| Agency Request | 0.00 | 502,300 | 0 | 0 | 502,300 |
| Not recommended by the Governor. | | | | | |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| 3. Pay Equity for VR Counselors | Vocational Rehab Program | | | | |
| Federal regulations require a comprehensive system of personnel development for counselors and they must have a master's degree with national certification. Our current applicants can move to the social work field in state government with the same training and earn higher pay. This proposal will raise the starting wage of the beginning vocational rehabilitation counselor to the beginning master's in social work of \$16.59 per hour. | | | | | |
| Agency Request | 0.00 | 49,100 | 0 | 181,300 | 230,400 |
| Not recommended by the Governor. | | | | | |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |

Vocational Rehabilitation

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| Budget by Decision Unit | FTP | General | Dedicated | Federal | Total |
|---|--------|-----------|-----------|--------------------------|------------|
| 4. Training | | | | | |
| Vocational Rehab Program | | | | | |
| SPECIAL TRAINING PACKAGE: The reclassified support staff will be required to attend training with the changing job duties brought about by the previous implementation of the automated case management system. These costs include both in-office instruction, and lengthy formal classes at local and regional educational facilities. | | | | | |
| NEW INITIATIVE: There is also a new initiative to provide training for both the counseling staff and a significant number of clients in the subject of small business and self-employment. Classes for groups of both counselors and clients will be conducted in three regions of the state by specialists from Idaho universities, the Small Business Administration, and identified specialists in the area of disability self-employment from Illinois. | | | | | |
| NEW TRAINNG PROJECT: The agency will provide a necessary training project from July through October of 2007. In June 2007, a scheduled major upgrade of the automated case management system called Gemini will be implemented. The system will move to a Web application and a large number of users will need to be trained on how to use the changed system. | | | | | |
| Agency Request | 0.00 | 55,000 | 0 | 0 | 55,000 |
| <i>Not recommended by the Governor.</i> | | | | | |
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
| 5. Co-op Agreements with Agencies | | | | | |
| Vocational Rehab Program | | | | | |
| The agency is requesting that its spending authority in miscellaneous revenue be increased to match the funding received through cooperative agreements from the Department of Correction and the Department of Juvenile Corrections. This spending authority is requested in trustee/benefit payments for services to assist correctional offenders with disabilities to transition into the community. | | | | | |
| Agency Request | 0.00 | 0 | 155,900 | 0 | 155,900 |
| Governor's Recommendation | 0.00 | 0 | 155,900 | 0 | 155,900 |
| 6. Reclassifications | | | | | |
| Vocational Rehab Program | | | | | |
| The Division of Human Resources conducted a review of the job duties of persons assisting rehabilitation counselors in the local offices. The conclusion from the review is that the job classification should change from office specialist to rehabilitation aide, with a change from pay grade E to pay grade G. Vocational Rehabilitation is requesting authority to spend federal funds to increase the pay for 55 positions. | | | | | |
| ANALYST COMMENT: The Division requested this funding in the Maintenance section of the budget. Since the Governor's recommendation moved the funding to a line item, the request decision unit was also moved to present the request and recommendation together. | | | | | |
| Agency Request | 0.00 | 0 | 0 | 141,400 | 141,400 |
| <i>The Governor recommends transferring \$38,300 General Fund trustee/benefit payments in addition to the federal fund spending authority to fund the reclassification.</i> | | | | | |
| Governor's Recommendation | 0.00 | 0 | 0 | 141,400 | 141,400 |
| FY 2007 Total | | | | | |
| Agency Request | 157.00 | 8,716,600 | 1,194,400 | 14,765,400 | 24,676,400 |
| Governor's Recommendation | 150.00 | 7,881,900 | 1,194,400 | 14,311,500 | 23,387,800 |
| Agency Request | | | | | |
| Change from Original App | 7.00 | 994,000 | 115,200 | 1,000,600 | 2,109,800 |
| % Change from Original App | 4.7% | 12.9% | 10.7% | 7.3% | 9.3% |
| Governor's Recommendation | | | | | |
| Change from Original App | 0.00 | 159,300 | 115,200 | 546,700 | 821,200 |
| % Change from Original App | 0.0% | 2.1% | 10.7% | 4.0% | 3.6% |
| FY 2007 Idaho Legislative Budget Book | | 1 - 154 | | State Board of Education | |